

108TH CONGRESS
1ST SESSION

H. R. 1607

To amend the Internal Revenue Code of 1986 to allow a credit for contributions of real property interests for conservation purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. GOODE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit for contributions of real property interests for conservation purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tax Credits for Con-
5 servation Act of 2003”.

6 **SEC. 2. CREDIT FOR CONSERVATION CONTRIBUTIONS OF**
7 **REAL PROPERTY INTERESTS IN PERPETUITY.**

8 (a) IN GENERAL.—Subpart B of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
 2 section:

3 **“SEC. 30B. CREDIT FOR CONSERVATION CONTRIBUTIONS**
 4 **OF REAL PROPERTY INTERESTS IN PER-**
 5 **PETUITY.**

6 “(a) IN GENERAL.—There shall be allowed as a cred-
 7 it against the tax imposed by this chapter for the taxable
 8 year an amount equal to 50 percent of the aggregate quali-
 9 fied conservation contributions in such taxable year of
 10 qualified real property interests located in the United
 11 States or any of its possessions for a conservation purpose
 12 specified in clause (i), (ii), or (iii) of section 170(h)(4)(A).

13 “(b) LIMITATION.—The amount allowed as a credit
 14 under subsection (a) for a taxable year shall not exceed
 15 \$100,000 (\$50,000 for taxable years beginning in 2003
 16 and \$75,000 for taxable years beginning in 2004).

17 “(c) DEFINITIONS.—For purposes of this section, the
 18 terms ‘qualified conservation contribution’ and ‘qualified
 19 real property interest’ have the meanings given such terms
 20 by section 170(h).

21 “(d) SPECIAL RULES.—For purposes of this sec-
 22 tion—

23 “(1) CARRYOVER OF UNUSED CREDIT.—If the
 24 credit allowable under subsection (a) for a taxable
 25 year exceeds the limitation imposed by subsection

1 (b) for such taxable year, such excess shall be car-
2 ried over to the succeeding taxable year and added
3 to the credit allowable under subsection (a) for such
4 taxable year. No credit may be carried forward
5 under this subsection to any taxable year following
6 the fifth taxable year after the taxable year in which
7 the credit arose. For purposes of the preceding sen-
8 tence, credits shall be treated as used on a first-in
9 first-out basis.

10 “(2) RELATED PERSONS.—

11 “(A) IN GENERAL.—The taxpayer and all
12 persons related to the taxpayer shall be treated
13 as one person.

14 “(B) RELATED PERSON.—For purposes of
15 subparagraph (A), a person is a related person
16 to another person if—

17 “(i) the relationship between such per-
18 sons would result in a disallowance of
19 losses under section 267 or 707(b), or

20 “(ii) such persons are members of the
21 same controlled group of corporations (as
22 defined in section 1563(a), except that
23 ‘more than 50 percent’ shall be substituted
24 for ‘at least 80 percent’ each place it ap-
25 pears therein).

1 “(3) DENIAL OF DOUBLE BENEFIT.—In the
2 case of the amount of the credit determined under
3 this section, no deduction shall be allowed for such
4 amount under any other provision of this title.”.

5 (b) CONFORMING AMENDMENT.—The table of sec-
6 tions for subpart B of part IV of subchapter A of chapter
7 1 of such Code is amended by adding at the end the fol-
8 lowing new item:

 “Sec. 30B. Credit for conservation contributions of real property
 interests in perpetuity.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to contributions after December
11 31, 2002.

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